

# AHCCCS fact sheet: HIFA\* (commonly called KidsCare Parents)

In July 2000, the federal government allowed states to expand SCHIP coverage (State Children's Health Insurance Program - KidsCare in Arizona) to parents of SCHIP children and SOBRA children. Arizona received approval to cover KidsCare and SOBRA children parents. Arizona also was allowed to use SCHIP funds for childless adults between 40 percent and 100 percent of FPL (part of the Proposition 204 population).

## WHO QUALIFIES

The applicant must be a parent of a child eligible for services under KidsCare or SOBRA (program for pregnant women and children). Otherwise, the requirements are the same as for KidsCare: The applicant must have income at or below 200 percent of the Federal Poverty Level; cannot have had health insurance for the three months prior to the application; does not qualify for Medicaid; is a citizen or qualified immigrant; cannot be eligible for the state's employee health insurance; and must be willing to pay a monthly premium.

## ELIGIBILITY

AHCCCS determines eligibility for parents of children in KidsCare, and the Arizona Department of Economic Security determines eligibility for parents of children under SOBRA. Applicant must provide proof of income, a Social Security Number, or citizenship or immigration documents if not born in the United States. If they have other health insurance, they cannot be eligible.

All applicants must be Arizona residents.

## ENROLLMENT AND DEMOGRAPHICS

Current enrollment is 12,040. Most parents -- 94 percent -- have children under KidsCare; 6 percent have children under SOBRA. While growth in 2004 was 11 percent, it is projected to be flat for SFY 2006 (beginning July 1, 2005).

The majority of recipients are in the age group 30 through 39, with more females than males. The average household size is 4.1, with 74 percent of households having 3 to 5 people. Most recipients are either White or Hispanic, in equal percentages, and most live in Maricopa and Pima counties.\*\*

Most recipients have an education level beyond high school, with 32 percent having some college and 11 percent being college graduates; 32 percent are high school graduates; and 25 percent have some high school or less.

Recipients say they have been uninsured because insurance costs are too high (34 percent); health insurance isn't offered (29 percent); or they are self-employed (13 percent).

\*HIFA stands for the federal Health Insurance Flexibility and Accountability initiative.

\*\*24 percent of recipients are ages 19 through 29; 39 percent are 30 through 39; and 37 percent are 40 or older. The group is 43 percent male and 57 percent female, and 36 percent are White; 36 percent are Hispanic; 10 percent are Native American; and 2 percent are African American, with "other" ethnicities making up the remaining 12 percent. 73.7 percent of HIFA parents are married; 14.6 percent are single parents. While most recipients live in urban counties, most rural counties have a high percentage of HIFA parents per 10,000 persons.



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## BACKGROUND

Arizona began its HIFA parents program in January 2003 after receiving a federal waiver under the Health Insurance Flexibility and Accountability initiative. The program, however, has received Arizona Legislature approval only on a year-by-year basis. The Legislature must approve a continuation because approximately 25 percent of program budget needs come from the state. However, due to a recent reallocation of federal monies in conjunction with other waivers, the program can be administered with no cost to the state. It is currently scheduled to end June 30, 2005, unless it receives further legislative extension.

## BUDGET

	SFY 2004 actual	SFY 2005 projected	SFY 2006 requested
<b>Federal</b>	\$ 22,356,600	\$ 23,144,600	\$ 27,882,300
<b>State</b>	\$ 6,809,200	\$ 6,882,100	\$ 8,344,800
<b>Total</b>	\$ 29,165,800	\$ 30,026,700	\$ 36,227,100

	Each parent
Current HIFA parents premiums are:	
101-150% of FPL	\$15/month
151-175% of FPL	\$20/month
176-200% of FPL	\$25/month

EXPENDITURES BY CLAIM FORM TYPE		10/1/02-9/30/03
Professional services	\$ 5,368,009	51.3%
Pharmacy	\$ 1,572,112	15.0%
Dental services	\$ 125,538	1.2%
Inpatient services	\$ 1,459,640	13.9%
Outpatient hospital services	\$ 1,938,618	18.5%
Long term care services	\$ 2,209	0%
<b>Total:</b>	<b>\$ 10,466,126</b>	<b>100%</b>

## VALUE OF SERVING POPULATION

Health insurance coverage for this group does not require a significant contribution from the state general fund because of enhanced federal funding that has been available at least through SFY 2006. Serving this group avoids uncompensated care costs for emergency rooms and in-patient hospitals.\*

Additionally, coverage helps support Arizona's health care economy, improves the health status of lower-income parents and improves overall family health care because parents who have health insurance are more likely to seek health care services for their children.

\*Over a one-year period, from October 2002 to September 2003, AHCCCS paid \$3.3 million to hospitals and other in-patient settings for both in-patient and outpatient services. An additional \$5.4 million was paid for professional